



# BIG INDIAN FESTIVALS AND THEIR EFFECTS ON THE INDIAN ECONOMY

**Ms. Geeta Ghai<sup>1</sup>**

Research scholar<sup>1</sup>

Navyug commerce college Surat<sup>1</sup>

**Dr. Jignesh Vaghela<sup>2</sup>**

Assistant Professor<sup>2</sup>

Navyug commerce college Surat<sup>2</sup>

## Abstract

This abstract explores the profound impact of major Indian festivals on the country's economy. By delving into the economic dynamics surrounding festivals such as Diwali, Holi, and Eid, the study examines the extensive ripple effects these cultural celebrations have on various sectors. From increased consumer spending and heightened retail activities to a surge in tourism and hospitality, the economic ramifications are diverse and far-reaching. Additionally, the paper investigates the role of festivals in stimulating production, employment, and market demand. By comprehensively analysing the interplay between cultural festivities and economic indicators, this study contributes valuable insights into understanding the intricate relationship between tradition, consumer behaviour, and the overall economic landscape in India.

**Keywords:** Indian festivals, Economy impact, Cultural celebrations, Market demand, Economic dynamics, etc.

## I. INTRODUCTION

Amongst 51 festivals in India, only 17 are recognised nationally. And these 17 festivals are celebrated with great splendour in almost 2.1 million temples which are spread across the country. Besides celebration and holidays festivals do prove a boon for Indian economy. India does not fail to enjoy herself during every festival though her economy is going through a rough patch. Every religious event then it may be Diwali, Eid-al-Fitr, Christmas or may it be foundation day of any small temple, you need sound system, light system, an event management team, a bunch of priests, flowers, decorative, catering services, etc. I don't know how many have watched the movie "Deul" a Marathi movie based on how a temple brought about a socio economic change in a village. Any temple, mosque or church has the ability to influence entire routine of an individual.

The major aspect of Indian festivals beyond economic investment is the social investment that holds a community together and this social investment in return sows the seeds of economic investment.

We during the festivals buy things from anyone, from any seller, festive season is the only time when people don't consider a person's caste or religion especially while buying things. Getting to the point, festivals provide a boost to the economy of many regions. I have personally conversed with local residents of Pen, Maharashtra. Pen is famous for making Ganpati idols and one entire village in Pali - Amrapur feeds on the idol making business. The plaster of Paris they use, comes from Rajasthan, the hay they use for packing the idols come from Karnataka. Even the Shadu clay comes from some different state. Amrapur village's business turnover is Rs. 200 crore. Event Management companies from France and US have visited the famous Durga Puja of West Bengal. Artists even from Pakistan visit every year to show their art at Durga Puja, Ganesh Chaturthi. Food and Beverage industry alone generates a business of around 40-50 crore during the ten days of Durga Puja.

Festivals do promote innovation. Companies launch latest electronic products, latest jewellery designs during festive seasons only. 52% of apparel products take place in Diwali. Even small festivals like Raksha Bandhan generates business of about Rs. 400 crore and provides employment to over 5000 families. National and Harvest festivals also doesn't lag behind when it comes to enhancing economy. Republic Day parade of 3-4 hours itself provides employment to over thousands of families. Taking 4 important festivals of India into consideration lets study how festivals affect the economy of every region.

Ganesh Chaturthi: - Our bappa who is generally known as the giver of knowledge in heaven, he turns into Lord Kubera for many small scale as well as large scale entrepreneurs. There are over 2000 Ganpati mandals in Ahmedabad, 3000-

4000 in Pune and hold your breath, Mumbai alone sees more than 15000

Ganpati mandals. People will hesitate to donate for a hospital, but they will just pour money like water when it comes to their bappa. Ganpati festival alone generates Rs. 20,000 crore business across the country. And besides this when you have festivals like Durga Puja, Dusshera, Jagannath Yatra, KumbhMela, etc. your economy is already booming...

**Durga Puja:-** Durga Puja owns a special place in every Bengali's heart. This industry is actually growing at the rate of 35% per year. In 2015, the business reach was around Rs. 40,000 crore and it is expanding ever since. 10 days of Durga Puja provides daily bread and butter for more than 30,000 families. From the production of vermilion to weaving of white sarees, every industry is on fire.

**Jagannath Rath Yatra :-** Recent rath yatra whose preparations started almost two months before, brings profits to trifle workers as well as to executive officers of the temple. All the three chariots ranging in almost 43-45 ft. in height are made out of wood each year. Every worker is insured by the temple and is paid around Rs. 350-450/- daily. The wheels of the chariots are then sold to multinational companies for worship.

**Kumbh Mela :-** World's largest public gathering of about more than 100 million people takes place during the Kumbh Mela. I found some astonishing figures online which will be enough to explain the economic importance of Kumbh Mela. Camps are erected over an area of 20,000 sq.km. this means an entire Israel country. For the 13 million people who visit every day during the festival, government arranges 30,000 tonnes of food grains. There are over 40,000 toilets and more than 30,000 policemen are deployed. Government spends around \$220 million on Kumbh Mela with an assurance of getting 15-20% profit in form of business generated.

Economics doesn't stop here. Same situation is with Maha Shivratri, Dusshera, Onam, Eid and many different festivals.

Indian festivals not only influence our economy, they even suppress Indian economy by influencing economies of other nations. Eagles, Dragons are gobbling up Indian economy. The ever increasing demand for imported and cheap goods have given a golden opportunity for the Chinese to interfere in our business.

### 1.1 Boost in Indian economy

Despite having a slow economy & a dip in the Gross Domestic Product of India in last quarter, Indian festivals will provide a respite to the Indian economy. A sector that has enjoyed majorly during the festive season is the e-commerce sector. Last season, India witnessed a face-off between the biggest competitors in the e-commerce sector — Amazon & Flipkart. Flipkart claimed that their sales doubled when compared to the previous year during the festival season, while Amazon didn't comment on its overall sales but stated about a 150% increase in sales in the smartphone category & a 3.7 times sales rate in the large appliances category.

According to 2011 enumeration, we have 2.1 million temples the nation over which draw in a tremendous load of riches through offerings. Temples and festivals together lift up the entire economy, flourish the business and keep Indian economy booming through expenditure balance.

### 1.2 India as a festive economy

ASSOCHAM estimates data on various festivals in India and their impact on the Indian economy. Ganesh Chaturthi to generate about Rs 20,000 crore business across its presence for 10 days with 20 percent CAGR, particularly in the states of Maharashtra and Telangana. Hyderabad, on the other hand, alone generates Rs 5,000 crore business in Ganesh Chaturthi festival and is an employer for more than 20,000 families during the peak season as well the year round. Like Ganesh Chaturthi, Durga Puja contributes to about Rs 40,000 crore business in India with almost 35 percent CAGR, major of which is in West Bengal. Event management companies all over the world including companies from France and the US are engaging in Kolkata in supporting the entire caravan of the festival including advertisements and cultural event programmes at Durga Puja pandals. During the whole occasion of Durga Puja, food and beverages also generate Rs 50-60 crore business.

All the festivals in India shoots-up the unorganised economy on a large scale and provide enormous employment opportunities for low-skilled and traditional manufacturing sector along with small to micro level entrepreneurs. Raksha Bandhan festival generates about Rs 400 crore business also provides employment to more than 4,000 families in Gujarat. During Diwali, electronics, automobiles, and apparel dominate the share of businesses around the country with a whopping 52 percent of the apparel products sales take place and every individual spends 20 percent additional for various celebration reasons. The International Kite Festival, Uttarayan, in January, generates about Rs 500 crore business in the country with a large part of it in Gujarat, Uttar Pradesh, and Delhi. Kite festival provides a boost to the kite industry which employs about 6000 families of Gujarat.

### 1.3 Impact on Retail Market

The winners in the festival season in e-commerce were Flipkart's "Big Billion Days Deal", Snapdeal's "Yeh Diwali Dil ki Deal" & Amazon's "Great Indian Festival Sale". It is an appreciable fact that out of the three Giants, two are India's

own homegrown online commercial centres. The economy banks on festivals to boost its GDP numbers. As we enter the official festival season of the year, the conditions are conducive to increased spending, despite skirmishes on the border. Flipkart earned ₹1,400 crore on the first of its Billion Days, the highest sales it has recorded in a day.

The new RBI Governor, Urjit Patel, has sweetened the deal by lowering interest rates, and companies in auto and FMCG sectors are salivating over the speed at which cash registers will roll this month. Auto sales were already up 21 percent in September, compared with last year.

#### **Big Online Marketplace's traffic during Festive Sales Period**

|                  | Flipkart.com         | Snapdeal.com         | Amazon.in            |
|------------------|----------------------|----------------------|----------------------|
| <b>August</b>    | 134,500,000mn        | 79,600,000mn         | 141,500,000mn        |
| <b>September</b> | 134,000,000mn        | 82,300,000mn         | 141,500,000mn        |
| <b>October</b>   | <b>164,000,000mn</b> | <b>109,500,000mn</b> | <b>200,000,000mn</b> |
| <b>November</b>  | 121,000,000mn        | 89,900,000mn         | 176,500,000mn        |
| <b>December</b>  | 128,000,000mn        | 83,100,000mn         | 171,000,000mn        |
| <b>January</b>   | 133,000,000mn        | 86,200,000mn         | 185,500,000mn        |

*Statistics according to Similarweb.com (1<sup>st</sup> August 2015-1st January 2016)*  
**Millions=mn**

**Figure 1. Big Online Marketplace traffic during festive sales period**

#### **1.4 Importance of festivals in India**

Festivals are the periods of celebration and an important part of Indian culture. They are a tool to bring life to a state of exuberance and enthusiasm. It is the season when the bulk of the annual sales of consumer goods happen. Let us look at the commercial implications of festivals in the Indian economy.

**India, a saving economy:** The Indian economy for long, has concentrated on Savings, and spending was limited to only festive days. And all of us know, how important spending is for development of an economy.

**Spending:** The spending that happens during festivals, from clothes to shoes, to decorative items to white goods etc., provides big fillip to all industries in the Indian Economy. Even sectors like Automobiles see major sales during festival periods.

**Housing Infrastructure:** Housing Infrastructure Industries (Paint, Sanitary ware etc) gets a big push during the festive periods.

**Employment:** Festivals generate lots of employment opportunity for unorganized labor class, especially artisans. For them, it is most important tool for survival.

**Regional festivities:** India is a vast country, with small different cultures from region to region. Region specific festivities provides boost to specific regions, it also gives opportunity to Vendors to move from one region to another depending upon seasonality.

**Product Launches:** New Products and designs are launched during festival time, to enable the companies to push sales. This drives Innovation.

**Launch period for new companies:** Festivals are periods, where new companies (foreign and domestic), feel confident to launch themselves in new markets. Thus increasing competition and overall being good for consumers.

**Online Retailers:** During festive season E-tailers like Amazon, Flipkart, snapdeal etc experience multifold increase in demand. Flipkart clocked Rs 600 crore in sales in 10 hours last Diwali.

**Precious Metals:** Traditionally, gold & silver have been the preferred asset for Indian investors and the clamour for these precious metal increases every year during festivities as these metals are considered auspicious.

**Tourism:** In recent years festivals are being used for promoting tourism. The time-limited event encourages tourists to visit the place during the event. This provides them a unique chance to interact with the local community, gaining a deeper experience of the ambience, customs and local culture.

## II. LITERATURE RVEIEW

**Potharla Srikanth et.al (2013)** Seasonality effect which exists on stock market goes against Efficient Market Hypothesis proposed by Fama (1970). One of the reasons for presence of calendar effect is festivals celebrated by the people of a nation which can have their impact of economic conditions of the country. In India, Diwali is one of the most important festivals which are celebrated all over the country. In the present study, a modest attempt has been made to analyse the impact of Diwali festival on the Indian stock market. In this study, all the constituents of BSE-100 index have been selected. Period of study is 10 working days preceding and 10 working days succeeding the day of Diwali in the year 2011. The study has employed Wilcoxon test, a non-parametric test, to analyse the impact of Diwali on Indian stock market. Results of the study concludes that Diwali effect is not statistically significant on the stock market in India and results of Run test reveals that average abnormal returns are random during the study period.

**Sandeep Munjal et.al (2015)** draws from the findings of the theme issue contributors. All the papers in the theme issue have drawn inputs from diverse types of fairs and festivals organized in different parts of India. The paper summarizes the key opportunities and challenges with respect to leveraging the cultural and economic potential of fairs and festivals in India. Some of the issues that emerge across the board revolve around lack of basic infrastructure, indifferent government support, local apathy toward cultural commodification and poor stakeholder engagement. The on-the-ground narrative brings out the real issues, challenges and opportunities that can then be analysed to offer direction to policy-makers, tourism sector and government at various levels. The outcomes of the theme issue summarize the above.

**Dr. Rajesh Ramasamy et.al (2021)** focuses on understanding the profile of the local community that benefits from ethnic festival events and also measures the influence of ethnic festival events on the sociodemographic variables of the local community. Related literature has been collected from different sources on the socio-cultural impacts of ethnic vacations on the local community. The structured questionnaire was designed on the basis of key variables extracted from the related literature. Primary data was collected from 300 respondents who directly or indirectly obtain benefits from ethnic events through a convenience sampling technique. The sample includes local store vendors, festival planners, travel agencies, tour operators, hotels, and local communities. Samples collected were analyzed using descriptive statistics, independent t test and one-way ANOVA with Duncan's test.

**Dr. Rakesh Dani (2020)** highlights levels of influences of local events on the image of region of Kumaon in state of Uttarakhand. Celebrating traditional festivals are very important for any place because it attract not only tourist but also help to get employment to locals and save the local tradition and culture for next generation. This study also concludes that impact of rural festivals on tourist satisfaction. This study is based on observation and feedback of 100



tourists who visits different festivals and fair of kumaon region of Uttarakhand through personal interview and structured questionnaire including 15 questions of likert scale using statistical tools such as percentage and mean from which we conclude that impact of rural festivals on tourist satisfaction and why festivals and fairs are important for rural places.

**Sumit Goyal et.al** examine the impact of Indian festivals on the stock market indices of BRICS countries. Festivals are one the factor that attract the investor and the stock market is affected by the movement of money in and out when they invest money or withdraw money. The outflow/Inflow of money in stock market happens due to many factors. This research will help to understand the movement of stock market with respect to Indian festivals. Due to globalization every country is interlinked so it becomes important to study the impact of an event of a particular country on other countries. The outflow/inflow of money in the stock market happens due to many factors. This research will help to understand the movement of stock market because of Indian festivals.

**Sanjaya S. Gaur et.al (2015)** highlight an Indian festival's contribution to cultural and economic well-being. This study utilizes a qualitative approach to analyse the impacts of Ganesh Chaturthi festival, which is annually celebrated over a period of two weeks across the nation. The study shows that the Ganesh Chaturthi festival fosters national cohesiveness, promotes communal harmony, preserves family values, helps maintain national identity, revitalizes the economy and fosters cultural tourism. This paper provides useful insights for policy makers, local government, businesses and community leaders for deriving optimal benefits from the annual Ganapati festival. The Indian economy is developing very rapidly, and yet there is limited published literature available on the contribution of festivals to these developments.

**Nicole Ferdinand et.al (2013)** present an illustration of the festival internationalization process based on a case study of Trinidad and Tobago (TT) style carnivals. Using a combination of archival and interview data, the paper first identifies the international origins and evolution of festival elements. It then examines the outward trajectory of development from an event on a small Caribbean island to a major feature of cities in North America and Europe. The findings are synthesized to create a framework describing festival internationalization that draws on research in cultural production systems. It proposes that the TT Carnival can be viewed as an experience production system that provides an infrastructure for the exploitation of indigenous intangible resources by entrepreneurs and cultural practitioners. This perspective suggests that policymakers and festival organizers expand their activities from managing individual celebrations to governance of shared resources.

**Medet Yola et.al (2016)** investigated how residents' participation in local festivals may influence their subjective well-being and their quality of life. Using data collected from local attendees of a film festival, this study examined the relationship between socio-cultural impacts of a festival and subjective well-being of local residents. Findings revealed that while community benefits and cultural/educational benefits are positive predictors of subjective well-being of residents, quality life concerns were found to have negative impact on the well-being of residents. Findings also revealed no significant relationship between community resource concerns and subjective well-being of residents.

**M. Claudia tom Dieck et.al (2017)** examine how the educational, esthetics, escapist and entertainment experience using AR affect visitor satisfaction and memorable experience, and eventually, lead to visitor engagement with science experiences in the context of science festivals. A total of 220 data inputs were collected as part of the European City of Science festivities and Manchester Science Festival 2016 and analysed using structural equation modelling. Findings show that the four realms of experience economy influence satisfaction and memory and, ultimately, the intention for visitor engagement with science research at science festivals. Theoretical contributions and practical implications are presented and 60 discussed

### III. METHODOLOGY

This research employs a comprehensive methodology to analyze the impact of big Indian festivals on the Indian economy through the utilization of secondary data. The study involves an extensive review and collection of existing literature, including academic journals, reports from government agencies, and reputable economic databases. The data will be systematically examined to identify trends, patterns, and key indicators associated with major festivals, such as Diwali, Holi, and Eid, and their repercussions on various economic sectors. Furthermore, statistical analysis and comparative assessments will be employed to elucidate the quantitative aspects of economic fluctuations, consumer spending patterns, and business performance during festive seasons. This approach ensures a robust exploration of the multifaceted relationship between big Indian festivals and their profound effects on the nation's economic landscape.

### IV. RESULT AND DISCUSSION

Hindus Festivals. They are the favourite keywords for IVY league educated intellectuals and their hired guns in India. Until a few years ago, they had been villainised to such an extent that people had started to forget their spiritual significance. In higher echelons of our society, these remained only an economic opportunity. In hindsight, this phenomenon should not be looked at with resentment. Even with their impact on the Indian economy, Indic festivals managed to stay relevant during ultra-Marxists era of Indian polity.

#### 4.1 Indian economy needs a final festive push

According to a report by Business Standard, Indian Economy requires a final push to accelerate at its full capacity. The newspaper cited Bloomberg's tracking of 8 high-frequencies indicators to substantiate its point. Needles on 4 out of 8 indicators were tilted towards recovery. Currently, due to fall in demand in the external market, positive sentiments in businesses have gone down, which is reflected in the World Bank cutting down India's growth forecasts as well.

Despite that Indian businesses have held on to their stocks. The main reason behind it is that the festive season has not picked up its momentum yet. India's annual festive season kicks off during Raksha Bandhan (around mid-August) and continues till the end of Diwali (October-November). Between both these festivals, different parts of the country are engaged in festivities like Onam, Pongal, Durga Pooja, and Dhanteras among others.

##### Diwali's contribution to Indian economy

There is a reason why businesses have pinned their hopes on Diwali. Diwali is possibly the most demand generating festival in India. During Diwali, sales of textiles, automobiles, consumer durables, electronic goods, jewellery, real estate and food register a sudden spike. The advent of tourists to watch Indic festivals adds fuel to the fire (not literally).

According to a 2017 analysis of ASSOCHAM, during Diwali, consumption capacity of the average Indian consumer increases by 20 per cent during Diwali. No wonder, 52 per cent of annual sale of apparel products takes place during this time of the year.

Even FMCG and white good companies are not much behind. Both these sectors chunk up 35 per cent of annual sales during Diwali itself. These numbers are the reason why e-commerce companies like Amazon, Flipkart, Meesho among others push their products through attractive offerings like Big Billion Days, Great Indian Festivals among others.

During the first 4 days of their grand offerings this year, big e-commerce companies sold products worth Rs 24,500 crore. The total sale is expected to be around Rs 80,000 crores.

According to a reoccurring survey by YouGov, self-reported Diwali spending has continued its recovery in 2022 after reaching a low in the pandemic year of 2020. While exact spending levels are not covered by the survey, 36 percent of respondents said that they were going to up their Diwali spending in 2022, more than the 29 percent who said so last year and the only 17 percent who planned on spending more in 2020. At the same time, the number of those saying they were planning to spend less on Diwali decreased in 2021 and 2022. The second biggest group of Indians - 30 percent - said they were spending the same amount as last year. YouGov, which carried out the survey last in August 2022, also calculated a Diwali spending index, which rose to almost 94.5 points for urban Indians (out of 100 points which signal average spending). In 2020, the index had only read 81 points.

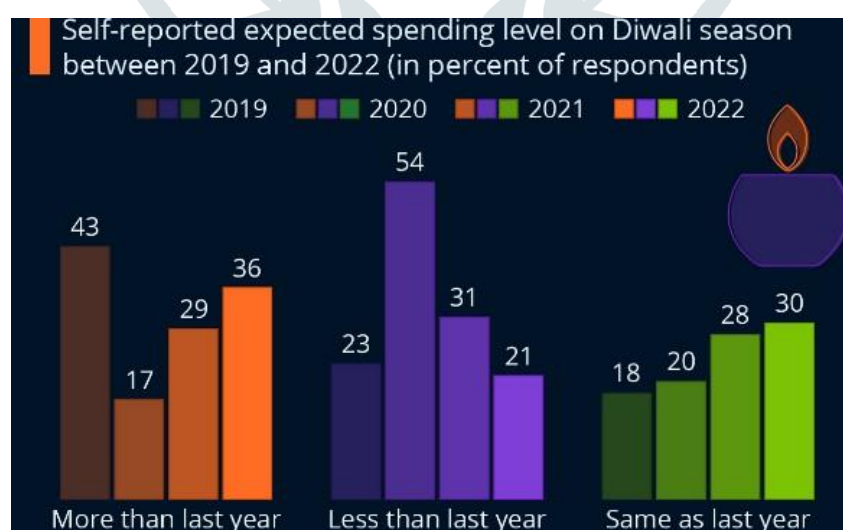


Figure 2. Self-reported spending level on Diwali season

##### to Indian economy

The analysis is based on the sales number registered during Navratri from 26 September to 5 October. During Navratri, FMCG products' sales were 12 per cent higher. Similarly, 15 per cent more consumer durables were sold this year. Around 20 per cent growth was registered in electronics and toys, while about 10 per cent was seen in mobiles and groceries. Apparently, the spike during Durga Puja owes to the popularity of the festival all across India. The

2017 analysis by ASSOCHAM roughly estimated that Durga Pooja contributed more than Rs 40,000 crore to the Indian economy.

However, it quickly noted that spending during the festival was increasing at a rate of 35 per cent Compound Annual growth rate (CAGR), which can be said to be a subtle acceptance of estimates being not 100 per cent accurate. The festivities inspire even event management companies from all across the world as it is not an easy task to handle so much crowd for 9 days.

### **Bengal is at the centre of Durga Puja economy**

As it turns out, the ASSOCHAM report was a gross underestimation of the festival's potential. The all-India number cited in ASSOCHAM's report was clocked a few years later by Bengal itself. Bengal government's incentives in the form of Rs 50,000 cash transfer and 20 per cent discount in power tariffs also played a key role in it. No wonder, the economy of Durga Puja in Bengal crossed Rs 45,000 crore mark this year. The massive revenue generation helped generate more than 3 lakh jobs only in Bengal itself. The increased consumption capacity resulted in retails amounting to 80-85 per cent of Durga Puja economy. Even the vehicle sales, which generally spikes around Dhanteras, witnessed 57 percent increase during Navratri this year. Remarkably, commercial vehicle sales increased by 48.25 per cent, indicating the preparedness of businesses towards the upcoming festive season of Diwali.

### **Onam boost to Kerala economy**

Around the same time festive season kicks off in North India, down South Keralites are also busy celebrating Onam. The Sanatan festival is an occasion for people to break free of mental strain. It is reflected in the government's increasing revenue from the sales of liquor. In 2021, Vijayan government earned Rs 750 crore more only through taxes on liquor. Talking about core festival stuff, Keralites bought nearly 80 lakh kilogram of milk in only 4 days. Interestingly, only the sale on Thiruvonam day accounted for 40 per cent of total demand generation. Both total demand and demand on Thiruvonam day saw YoY increase of 6.64 per cent and 11.85 per cent compared to previous year. Apart from that, curd and other dairy products also witnessed phenomenal increase in their annual sales.

The demand for the 2022 season did not wane. On Uthradam — the first day of Onam, the state exchequer managed to get Rs 550 crores only on account of liquor sales. Lottery, the second major source of revenue for Kerala helped the government put more than Rs 300 crore in its coffers. It was a significant change since compared to last year, the government earned nearly 200 per cent more than Rs 124.5 crore last year. The lottery sold during Onam indicated the increase in risk taking ability of citizens, a key marker of the healthy state of the economy.

### **Ganesh Chaturthi kicks off massive spendings**

Like Onam there is another 10-day festival called Ganesh Chaturthi celebrated all across India, but mainly in Maharashtra and neighbouring states. An old ASSOCHAM estimate suggested that the festival generates businesses worth Rs 20,000 crores. Contrary to popular belief, Hyderabad, the city of Owaisi, was found to be generating 25 per cent of this humongous sum. More importantly, the number grows at 20 per cent CAGR each year. China's Galwan valley misadventure also turned out only fruitful for locals engaged in festivals. This year CAIT stated that only more than 20 crore Ganesh idols were sold. But it is not only idols. Demands in every minute segment of the festival witnessed significant increase. Demand for Pandit ji increased by 50 per cent, while Pandal decorators witnessed 38 per cent push in demand. Apart from idols, Pandit Ji's, home decorators, flowers and ornaments also register tremendous growth in their incomes during Ganesh Chaturthi. Bhakts like to cover Bhagwan Ganesh Murti with Gold, silver and other valuable stuff. It has led to inviting insurance companies as well.

In the Matunga area of Mumbai, a Ganpati Mandal had taken insurance cover of Rs 316.4 crore. Estimates suggest that the 10 days festival employ more than 20,000 families every year. The increased employment leads to a virtuous cycle in the economy creating more demand side pressure.

It was evident this year as well when Maharashtra alone witnessed 53 per cent jump in demand for festival-related services. Extra political ASSOCHAM's estimate of Ganesh Chaturthi, it would be safe to conclude that the 10-day festival provides at least Rs 50,000 crore push to the Indian economy.

### **Raksha Bandhan contributes around Rs 20,000 crore**

Around the same time, another festival called Raksha Bandhan is celebrated. The festival is the grand celebration of India's unity and diversity since there is no state which can claim that it is majorly celebrated in its own geography. From Kashmir to Kanyakumari, more than 50 crore Rakhis are sold in India. Before 2020, the market was dominated by China, since it not only pushed readymade Rakhis, but was also pushing foam, pearls, drops, thread, decorative thali, essential elements of Rakhi and Rakhi making. Out of Rs 6,000 crore of Rakhi markets, China alone used to occupy more than 66 per cent of the market share. But then Indian sisters decided that they wouldn't be using Rakhis made in the same country which was hell bent on killing their brothers. After that, the market has been flooded with made-in-India Rakhis, increasing the business prospects. In Gujarat alone, the festival generates more than 500 crore



of business, giving employment to thousands of families.

Apart from Rakhi, sales of sweets during the Raksha Bandhan is also a big booster to dopamine fuelled shopping. Even Sweet industry alone generated businesses worth more than Rs 10,000 crore every year. Though it did take a hit during Covid, with the revival in consumption, the sales are back on track.

### **Makar Sankranti and Pongal provides momentum**

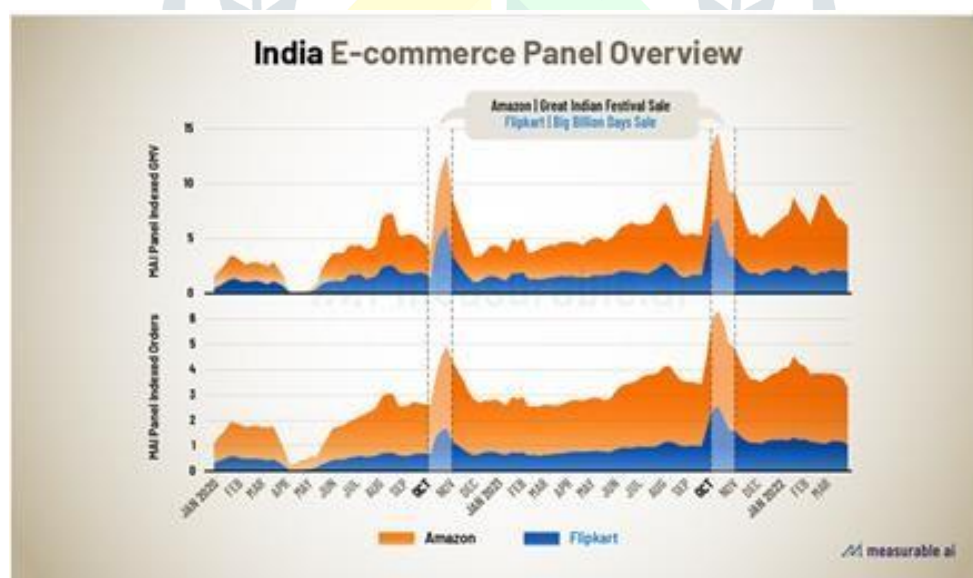
While Raksha Bandhan does start a more than 3 month long festive season at the back end of the year, festivals like Pongal and Makar Sankranti also contribute their bit to the Indian economy. Both festivals are celebrated at the end of cropping season and farmers are at their peak of spending capacity. 58 per cent of India is still dependent on agriculture. The momentum both these festivals provide makes way for Indians spending over Rs 4 lakh crore till the end of Holi.

### **Holi helped break the shackles of Omicron**

But, the first few weeks of this year had turned out disappointing due to Omicron dampening demand. However, as soon as the air around the Omicron got cleared, people of the country went on a spending spree. The 2022 Holi sales in India jumped up by 30 per cent, a huge sum considering the fact that economic revival had not caught its momentum during the time. Remarkably, Indians became much more proactive in ditching made-in-China colours, toys and balloons among others.

Earlier China used to push its products worth more than Rs 10,000 crore in India during Holi. 75 per cent of colours, plastic products, water guns in India used to come from China. The economic incursion led to 8-10 lakh Indians losing their jobs.

But with proactive support from the public, traders' bodies preferred Indian pushing Indian products in the market over that of Chinese ones. No wonder, this year, Holi contributed more than Rs 20,000 crore to the Indian economy. In fact, it won't be wrong to say that this year's Holi provided a major push to the Indian economy. The spending instilled confidence in the banking sector to finally break free of their shackles imposed due to NPAs. Hindu festivals are celebrated all across the year. It is actually sad that only a few of them can be counted in a column. The country is so diverse that every community follows its own deity. Clearly, the potential is there. All it needs is the revival of Sanatan. At the risk of sounding too much boastful, it is possible that India may not have to depend on exports altogether.



**Figure 3. India E-commerce Panel Overview**

All big retail and online businesses, tap onto the positive festive sentiment of the Indian consumers during this period, and offer lucrative deals (No cost EMI/ exchange offers/ discounts) to sweeten the purchases while increasing share of the wallet every year. With a government driven focus on India made products, these festivals have given a leading edge to local and small-scale businesses, and artisan economy. In Amazon Great India Festival 2023, Small and medium businesses saw a more than 35 percent increase in sales compared to the previous year. Over 38,000 sellers achieved their highest-ever single-day sales, and over 750 sellers made sales worth crores, over 31,000 sellers made sales in the lakhs. With 1.1 billion visits, and 80% sales in Tier 2/3 cities indicate the wide spread participation in the festival economy, and interestingly through online ecommerce. Indian festivals drive a euphoria, which keeps sentiments positive and protected to a certain extent from the global economic and war driven turmoil. The festivals continue throughout the year, in multiple pooja celebrations of deities, and of other significant religions. This plays a



major role in building resilience in the Indian economic ecosystem. Blessed by the Gods, this is also a time to celebrate the bonds of family and togetherness. On the other hand, while this protects and drives consumption, it comes at the cost of decreased savings. Any wise individual will do good to celebrate, worship and spend in reverence of our festivals and Gods, within the means of individual income, which is another deeply rooted Indian value.

#### 4.2 INFLOW OF PILGRIMS IN TARAKESWAR

Religious tourism is motivated by faith or religious reasons (Sharple and Sundaram, 2005). Domestic and foreign tourists over the years have been shown in Tarakeswar town. The domestic pilgrims reach in Tarakeswar from the different districts of West Bengal. Besides the pilgrims come from different states like Bihar, Uttar Pradesh, Jharkhand, Orissa, Madhya Pradesh, Andhra Pradesh. Tarakeswar attracts tourists round the year for its spiritual importance. However tourist's arrival picks up mostly in the time of Srabani mela from mid-July to mid-August. In the month of Srabani mela about 2-3 lakh tourists come per Monday. Throughout the whole month of Srabani mela about 15,00,000- 20,000,00 pilgrims come from different districts of West Bengal and states of India. Besides in the month of makarsankranti, Ram navami, Paila Baisakh, Kartik poornima huge local and regional tourists come for worshipping Lord Shiva.

#### 4.3 ECONOMIC IMPACTS OF FAIRS AND FESTIVALS IN TARAKESWAR TOWN

Fairs and festivals play a very vital role for the development and refreshment of economic condition of the residents of a region. Fair and festivals have direct and indirect impacts on communities. Fairs and festivals can attract tourist and visitors at regional, national and international level. It is one of the fastest growing forms of tourism. It can create employment opportunities, foreign exchange earnings and increase the standard of living of host community. In fairs and festivals tourism, tourist spends their money on a wide variety of goods and services. They purchase food, transport accommodation, communication and entertainment etc. This money is boosting the local economy. Fairs and festivals can also help to generate jobs and increase revenue to local people and shopping facilities. It also stimulates secondary economic growth. Tarakeswar town and its adjacent area is one of the vivid examples where fairs and festivals are organized in a specific month of every year. Many local residents like the pujaris, pandas are directly dependent on the visiting of pilgrim tourists for their day to day earning. The pilgrim tourists are generally found interested in purchasing photo, image, idols of Baba Taraknath and other articles. Due to the gathering of many pilgrims every year a number of temporary hotels and restaurants are opened in the township area. Many local people change their working sector and engaged in different types of work during mela season. Many permanent residents surrounding the temple area arrange home stay for the tourists. In the peak seasons like Srabani mela, Chaitra mela it becomes the main source of income for the local people.

#### 4.4 SRABANI MELA

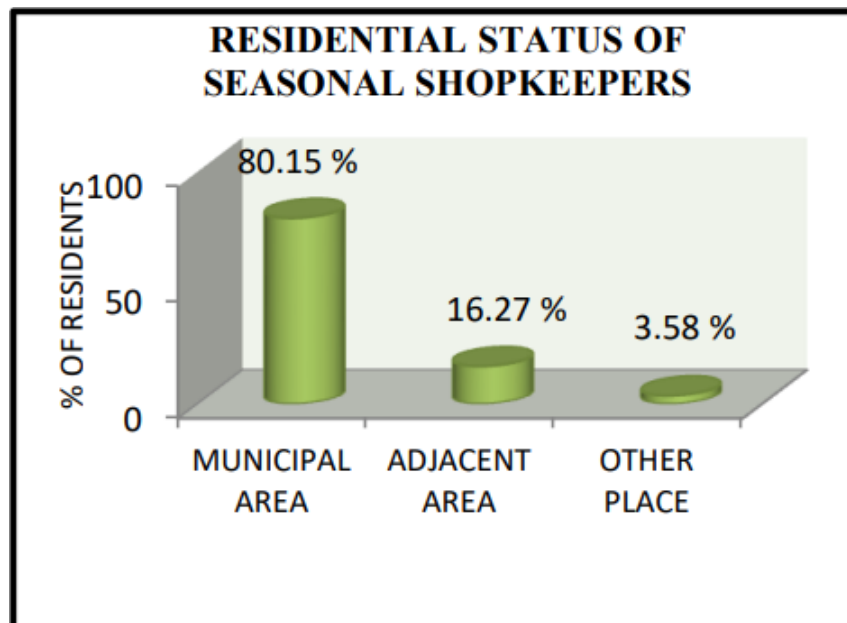
The season of Srabani Mela in the month of Srabani plays an important role in the economy of the municipal area. During this mela (Fair) about 922 stalls of worship materials, stationary shop, food stalls, C.D. and cassettes are placed temporarily in all different wards around the temple.

#### 4.5 RESIDENTIAL STATUS OF MOMENTARY SHOPKEEPERS

The seasonal shopkeepers are mainly residents of the Tarakeswar town and its adjacent villages. Out of 922 Residential status of seasonal shopkeeper's stalls, the owners of 696 stalls were the residents of different wards of the municipal area. The owner of 150 stalls were the residents of the adjacent area and owner of 76 stalls came from different place of Hugli, Howrah, Burdwan, Nadia districts.

**Table 1. Residential status of momentary shopkeepers**

| Residential status | stalls | Residential status | stalls |
|--------------------|--------|--------------------|--------|
| Municipal area     | 739    | Bhimpur            | 8      |
| Baidyapur          | 32     | Gouribati          | 1      |
| Bajitpur           | 15     | Bhata              | 14     |
| Hauli              | 19     | Chandur            | 10     |
| Bhanjipur          | 51     | Other place        | 33     |



**Figure 4. Residential Status of seasonal Shopkeepers**

#### 4.6 COLLECTION FROM DIFFERENT VEHICLES DURING SRABANI MELA

In the month of Srabani mela session large number of tourists come in Tarakeswar town using different vehicles like bus, Lorry, private car, taxi, van etc. Due to parking of cars in new bus stand or Rajbari field or other vacant place in Tarakeswar, tax is collected by municipal authority as parking charge. This money is used to cover different expenditure during Srabani mela season like electricity charge, decoration charge and temporary labour charge. The excess money is spent by the municipality throughout the year for various developmental purposes. According to survey report during the month of Srabani mela in Collection of tax from vehicles during Srabani mela.

**Table 2. Collection from different vehicles**

| Type of vehicles | No. of vehicles | Vehicle wise collection of Tax per day (in Rs.) | Total Collected Tax (in Rs.) |
|------------------|-----------------|---|------------------------------|
| Bus              | 636             | 150   | 95400                        |
| Tata-sumo        | 794             | 50  | 39700                        |
| Maruti car       | 440             | 30  | 13200                        |
| Matador          | 320             | 100   | 32000                        |
| Lorry            | 111             | 120   | 13320                        |
| Private car      | 464             | 30  | 13920                        |
| Taxi             | 112             | 30  | 3360                         |
| Van              | 641             | 30  | 19230                        |
| Others           | 541             | 30  | 16230                        |
| Total            | 4059            |   | 2,46,360                     |

#### V. CONCLUSION

The big Indian festivals play a pivotal role in shaping the economic landscape of the country. These celebrations, characterized by grandeur and cultural significance, have far-reaching effects on various sectors of the Indian economy. The surge in consumer spending during festivals stimulates demand, fostering growth in industries such as retail, hospitality, and entertainment. Additionally, the increased demand for goods and services creates employment opportunities, contributing to a boost in the overall employment rate. The festivals also serve as a catalyst for the tourism sector, attracting both domestic and international visitors. This influx of tourists not only stimulates the hospitality industry but also promotes local businesses and cultural exchanges. Moreover, the festive season provides an opportune time for businesses to launch marketing campaigns and promotions, further amplifying economic activity. While the positive impacts are undeniable, it is crucial to acknowledge the challenges posed by excessive consumption and environmental concerns during these celebrations. Efforts towards sustainable and eco-friendly practices during festivals can help mitigate negative environmental effects. In essence, the big Indian festivals are a dynamic force that transcends cultural and social dimensions, significantly influencing the economic fabric of the

nation. Balancing tradition with responsible economic practices will be key to ensuring that these celebrations continue to contribute positively to India's economic growth in the years to come.

## REFERENCES

1. Dani, R. (2020). Impact of Rural Festivals on Tourist Satisfaction with Special Reference to Kumaon. *International Journal of All Research Education and Scientific Methods (IJARESM)*, 8(7), 2455–6211. <https://www.researchgate.net/publication/343441295>
2. Ferdinand, N., & Williams, N. L. (2013). International festivals as experience production systems. *Tourism Management*, 34, 202–210. <https://doi.org/10.1016/j.tourman.2012.05.001>
3. Goyal, S., Kaur, R., & Kedia, N. (n.d.). a Study of the Impact of Indian Festivals on the Stock Market Indices of Brics Countries. *Amity Journal of Management Amity Business School*, 4(1).
4. Munjal, S., & Jauhari, V. (2015). Leveraging the cultural and economic value of fairs and festivals in India. *Worldwide Hospitality and Tourism Themes*, 7(4), 417–423. <https://doi.org/10.1108/WHATT-03-2015-0006>
5. Pawar, M. M., & Argade, N. (2021). *Kanpur Philosophers ISSN 2348-8301*. 8.
6. Srikanth, P., & Ram, M. R. (2017). *Economic Impact of Festivals : Evidence From Diwali Effect on Indian Stock Market*. 2(April 2013), 27–38. <https://www.researchgate.net/publication/318495165>
7. tom Dieck, M. C., Jung, T. H., & Rauschnabel, P. A. (2018). Determining visitor engagement through augmented reality at science festivals: An experience economy perspective. *Computers in Human Behavior*, 82(May), 44–53. <https://doi.org/10.1016/j.chb.2017.12.043>
8. Yolal, M., Gursay, D., Uysal, M., Kim, H. (Lina), & Karacaoğlu, S. (2016). Impacts of festivals and events on residents' well-being. *Annals of Tourism Research*, 61, 1–18. <https://doi.org/10.1016/j.annals.2016.07.008>

